GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:3012
ANSWERED ON:18.12.2008
FLOUTING OF DIRECTIVES OF FINANCE MINISTRY BY CPSES
Badiga Shri Ramakrishna

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether it has come to the notice of the Government that the directive of Finance Ministry to deposit 60% of surplus funds of Central Public Sector Enterprises (CPSEs) in public sector banks are being flouted;

(b) if so,the details of CPSEs that have flouted the above directive and action taken by the Government in this regard; and

(c) the details of cash and bank balance of CPSEs as on March, 2008, CPSE-wise?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES (SHRI RAGHUNATH JHA)

(a) & (b): Boards of concerned CPSEs take a decision for deployment of surplus funds as per guidelines issued by the Government from time to time.In April,2008 instructions were issued to CPSEs advising them, inter-alia, that at least to the extent of 60% of available surplus funds should be placed with Public Sector Banks (PSBs). These instructions were reiterated in August, 2008 and in October, 2008.

(c): As per Public Enterprise (PE) Survey 2006-07,which was laid in Parliament on 28.02.2008 and is a public document, the CPSEs have a cash and bank balance of Rs. 2,03,260 crores as on 31.03.2007. CPSE-wise cash and bank balance is given at Item No. 2.3(C) of Balance Sheet of concerned CPSE in Volume-III of PE Survey 2006-07.